KENYA TEA DEVELOPMENT AGENCY HOLDINGS PUBLIC LIABILITY COMPANY (KTDA HOLDINGS PLC/KTDA)

TEA FARMER (INSTITUTIONAL) SHAREHOLDER INFORMATION

Who is a Tea Farmer (Institutional) Shareholder of KTDA Holdings PLC – A tea farmer (institutional) shareholder is a registered tea farmer in the form of a School, a Church, a Cooperative Society, a Self Help Group, a company, a College, a Seminary, NTZC, Prisons department all registered as growers and delivering green leaf to one of the KTDA Holdings Corporate Shareholders (Tea Factory Companies) in any of the twelve (12) Zones. Your Institution is therefore by virtue of the relationship with your factory company, a shareholder of KTDA Holdings PLC.

What is KTDA Holdings PLC – KTDA Holdings PLC was incorporated in the year 2000 under the name Kenya Tea Development Agency Ltd. In 2009 the name changed to KTDA Holdings Co. Ltd. KTDA has approximately 635,000 Tea Farmer shareholders and 54 Tea Factory Company shareholders, constituting one of the largest companies in the country by shareholding.

In the year ended June 2020 financial year, KTDA Holdings PLC had Net current assets of Kshs. 23 Billion, having grown from Kshs. 21 Billion in financial year ended June 2019.

Why did KTDA Holdings Limited change its name to KTDA Holdings PLC – The term Public Liability Company or PLC was introduced under the Companies Act No. 17 of 2015 and companies are required to progressively change their name to include the new term PLC, in compliance with the Act.

What did KTDA H pay in declared dividends in the year ended June 2020 – KTDA paid its shareholders on record as at 30th June 2020, a total of Kshs. 733,950,900/ as total dividends for the financial year. These dividends were paid to the 54 Tea Factory Company shareholders, who in turn assigned them to the tea farmers based on green leaf delivery. In the financial year ended June 2019, the shareholders were paid a total of Kshs. 683,358,000.

Who are the shareholders of KTDA Holdings PLC – KTDA Holdings PLC is NOW owned by approximately 635,000 Tea Farmers and 54 Tea Factory Companies; Tea Farmers became direct shareholders in May 2021. Tea farmers are also shareholders of Tea Factory Companies

What is our shareholding in KTDA Holdings PLC – Your shareholding in KTDA has been communicated to you via a shareholders statement at the buying centre.

A personal statement indicating your shares has also been/ will be dispatched to you. Shares were allotted based on greenleaf delivered to your factory, between the period 1st July 2019 and 30th June 2020.

Which Subsidiaries does KTDA Holdings Own – KTDA owns the following subsidiaries:

1. KTDA Management Services Ltd (KTDA MS),
2. Chai Trading Company Limited (CTCL),
3. Majani Insurance Brokers Ltd (MIB),
4. Tea Machinery and Engineering Co. Ltd (TEMEC),
5. Kenya Tea Packers Limited (KETEPA),
6. Greenland Fedha Limited (GLF),
7. KTDA Power Company Limited (KPTC)
8. KTDA Foundation.

Does communication on shareholding confirm our shares? And when do we get our share certificate? - Upon allotment of the shares which has already happened, your institution became a shareholder. The share certificates will be sent to you, through your factory company.

Do our holding shares in KTDA Holdings interfere with our greenleaf payments –The two are not related and hence it does not.

Will we earn dividends based on our shares for the financial year ended June 2020 - All shareholders, including you are entitled to dividends upon declaration of the same by the shareholders of their company.

As shareholder what are we entitled to – As a Tea Farmer shareholder you are entitled to the following:

1. To vie for a Tea Farmer position on the Board of directors of KTDA Holdings PLC, representing the new Zone 13 (Tea Farmer category), - 1st Tea Farmer director would be from Zone 9 and would serve for 3 years, after which future tea farmer directors from other zones would serve for 3 years.
2. To VOTE FOR All Directors on the floor of the Annual General Meeting (AGM). All Zonal directors' elections would henceforth take place at the AGM. Nomination election exercises would precede the AGM.
3. To receive NOTICES & AGENDA for all shareholders meetings of the company, either personally, by post, through a daily newspaper of wide coverage or through electronic or telephone communication.
4. To earn dividends upon declaration at the Annual General Meeting.
5. To appoint auditors of the company.

Do we have a say in the disposal of property in the company - Shareholders must approve the sale of any property above the value of 1% of the total value of the company. Directors must seek shareholder approval at a company general meeting.

Can we sell our shares in KTDA Holdings PLC – To safeguard the tea farmer shareholding, the shareholders restricted trading of the shares for a period of ten years. Share holders will earn dividends and other rights.

Will there be investor briefings –Investor briefing/ communication through various channels will be undertaken from time to time.